UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/1996/35
22 July 1996

ORIGINAL: ENGLISH

Third regular session 1996
9-13 September 1996, New York
Item 14 of the provisional agenda

OTHER MATTERS

ACCOUNTABILITY IN UNDP

Report of the Administrator

SUMMARY

The present report is submitted pursuant to paragraph 3 of Executive Board decision 95/32. It provides the Board with a status report on accountability in UNDP. The Administrator is committed to a strong accountability culture and believes that the framework presented in the document will provide a solid foundation for both organizational and individual accountability.

The Executive Board may wish to consider the recommendation contained in chapter IV.

96-18395 (E) 300796

/...

I. PURPOSE

1. The present report is submitted by the Administrator pursuant to paragraph 3 of Executive Board decision 95/32. It provides the Board with a status report on accountability in UNDP. The Administrator is committed to a strong accountability culture and believes that the framework presented in the document will provide a solid foundation for both organizational and individual accountability.

2. UNDP has been at the forefront of the United Nations system in a number of areas that are critical to accountability. These include strategic planning, performance appraisal of staff, formulation of budget strategies, and financial accountability. UNDP chairs an inter-agency working group on evaluation (covering programme accountability) as well as one on procurement (covering accountability for a significant segment of expenditure in the delivery of programmes, projects and administrative support activities). UNDP has participated with the United Nations Secretariat on a number of initiatives, including the development of a new code of conduct/code of ethics.

3. The Administrator has recognized that while there is much that is right within UNDP from the accountability perspective, there are areas requiring improvement. There is also a need for the organization to establish better linkages among the various individual elements, bringing them into an integrated framework. By achieving this, assurance can be provided on accountability at all levels of UNDP.

4. In early 1996, UNDP engaged management consultants to study the UNDP accountability systems and make recommendations for a framework. The consultants' initial findings have identified six subsystems within UNDP that have a direct bearing on accountability. They are: the planning and programming system; the financial resources management system; the human resources management system; the material resources management system; the oversight system, including audit and evaluation; and the internal justice system.

5. Through the discussions that followed with the consultants, UNDP has been able to establish an operational framework for accountability that will be applied to the subsystems. This framework is similar to many managerial accountability frameworks that exist for national and international, public and private sector organizations. The Administrator is pleased to describe this framework below and expects that through its implementation, UNDP will achieve organizational and personal accountability based on principles of transparency, coherence and ownership of activities and/or results. In addition, periodic reporting to the Executive Board on accountability will be established.

II. THE ACCOUNTABILITY FRAMEWORK FOR UNDP

6. The accountability framework for UNDP is a four-step process involving the following elements:

(a) UNDP mandate, its mission and its goals;

(b) Shared values;

(c) Capabilities;

(d) Monitoring and learning.

Within each area, UNDP has identified: criteria or conditions for success; existing elements within UNDP; successes achieved; and preliminary areas to be addressed and strengthened.

UNDP mandate, mission and goals

7. UNDP has defined the conditions for success to include: objectives established and communicated; internal and external risks identified and assessed; policies established, communicated and practised; and measurable performance targets and indicators included in objectives and plans.

8. It is recognized that much is changing within UNDP to keep pace with the changing environment of Official Development Aid and technical cooperation activities. UNDP has already taken strides to redefine its mission - the Executive Board endorsed the UNDP mission statement at its annual session 1996 (decision 96/29). UNDP has solidly embraced a corporate planning approach and is linking organizational unit work plans and individual performance plans to the corporate plan to ensure that corporate objectives are attained. The UNDP plan is narrowing the organization's focus and elaborating more specific measurable targets and indicators.

9. UNDP recognizes the need to link the organization's resource planning, biennial budgeting and work planning systems. In this regard, UNDP is aligning the corporate plan and biennial budget cycles. The targets and indicators used in the planning process need to be refined and made more measurable. UNDP must improve the formulation and issuance of management decisions, including policy, and definition of authorities and responsibilities. As a first step, in March 1996, UNDP revised its senior corporate decision-making process through the creation of the Executive Committee.

Shared values

10. UNDP has defined the conditions for success to include: shared ethical values established, communicated and practised; human resource policies and practices that are consistent with values and objectives; authority, responsibility and accountability defined and consistent with objectives; and the creation of an atmosphere of mutual trust at all levels of the organization.

11. The study undertaken by the external consultants has confirmed that the staff of UNDP are highly committed to the purposes and ideals of the organization. However, there is insufficient understanding of acceptable conduct throughout the organization. With clearly defined and communicated policies, authorities and guidelines, including a code of conduct, UNDP can successfully decentralize operations with empowerment to the country offices.

UNDP has been working closely with the United Nations Secretariat on the development of a code of ethical conduct, and expects to build further on those results with a comprehensive set of guidelines for organizational and personal responsibility.

12. UNDP has initiated a human capital survey of its staff. UNDP is seeking information on how staff perceive the effectiveness of management processes; the service quality of the Office of Human Resources; and the effectiveness of human resources initiatives. The objectives of the survey are: to engage in a collaborative review of the personnel policies and practices in UNDP; to obtain proposals for improving equity, commitment, competence and involvement in human resources management; and to obtain benchmark data for the measurement of human capital.

Capabilities

13. UNDP has defined the conditions for success to include: people having the necessary knowledge, ability, skills and tools; effective communication processes; sufficient, relevant, timely and accurate information; coordinated decision-making; and control elements designed as integral parts of all activities and systems.

14. UNDP approved in 1995 a competency-based approach to its human resources management. A corporate training strategy was approved by the Executive Committee in 1996 and will be improved once a survey of core competencies for the future of UNDP is finalized. Critical to human resource management success will be further integration of the performance appraisal system with the core competencies and corporate planning processes. UNDP is also steadfast in its commitment to improved information systems.

Monitoring and learning

15. UNDP has defined the conditions for success to include: monitoring of the internal and external environments; monitoring performance against targets and indicators; challenging operational and strategic assumptions; assessing information systems; and implementing follow-up procedures.

16. The outcomes of monitoring and learning include: assurance on compliance with the accountability framework; reliability of reporting; compliance with legislation and policies; implementing corrective actions; and applying rewards and sanctions.

17. UNDP has taken a number of strides in the oversight area. The evaluation system includes an extensive evaluation database that has been decentralized to permit on-line access primarily by programmers at the country offices and throughout the organization. UNDP has launched a "Lessons Learned" publications series on key evaluations, through which best practices can be shared. UNDP issues annual reports on evaluation findings and on compliance with mandatory evaluations and also issues a biennial report providing statistical analysis of evaluation data.

18. Nine country offices have been designated as centres of experimentation, where new initiatives are piloted in a laboratory-style environment. In May 1996, a major workshop was held in Capetown, South Africa, where the Resident Representatives from the centres of experimentation and key staff from headquarters shared and assessed their experiences. Recommendations emanating from that workshop have been incorporated into the change process in UNDP.

19. The Division for Audit and Management Review has finalized a database to track the implementation of audit recommendations. Information related to all audit reports issued in 1995 and those through June 1996 has been entered and is being followed up.

20. As was approved by the Executive Board at its annual session 1996, UNDP will report annually on oversight activities. Internally, the Associate Administrator will be issuing circulars twice a year to report on sanctions that have been imposed for failures in performance or conduct.

21. This is an area where the most progress is needed and the Administrator is strongly committed to UNDP becoming a monitoring and learning organization. The Administrator recognizes that the lack of integrated accountability systems in UNDP has negatively affected the follow-through to conclusion on issues. The individual processes such as the Standing Committee on Personal Responsibility and Financial Liability process for financial accountability and the disciplinary process for misconduct are well established. The ad hoc process followed for UNIFEM and other cases involving managerial accountability, however, has demonstrated the need for a more comprehensive, coordinated approach to an internal system of justice. Improvements in case management are warranted. As a first step, UNDP has consolidated in one database all cases involving accountability, under the management of the Division for Audit and Management Review.

22. UNDP is developing the criteria and procedures for appraisal of Resident Representatives in their performance as Resident Coordinators, as well as in cases where they serve as Humanitarian Coordinators or Directors of United Nations Information Centres. Beginning in 1996, this enhancement will be incorporated into the normal performance appraisal of the Resident Representative by UNDP.

23. In order to facilitate the operation of the accountability framework, UNDP is establishing a management review/oversight committee to review and assess instances of apparent non-compliance. In addition, the committee will review reports on oversight matters and make recommendations to the Administrator, as appropriate.

24. In addition, UNDP needs to establish a system for incentives and rewards for good management, and communicate the information when such incentives and rewards are given.

III. CONCLUSION

25. The Administrator regrets the time it has taken for UNDP to report to the Executive Board on this matter. UNDP miscalculated the level of effort and time required to complete the study, given the comprehensive and over-arching nature of the exercise.

26. One goal of the UNDP change management process is to incorporate the empowerment-accountability relationship into all of the organization's business processes. It is anticipated that the study by the external consultants will be completed by October 1996 and that the findings and recommendations will be reflected in the core projects of the change management process under way in UNDP. Until the framework is fully implemented, the Administrator proposes to the Executive Board that he report orally at each session of the Executive Board on progress made.

IV. EXECUTIVE BOARD ACTION

27. The Executive Board may wish to:

1. Note the report of the Administrator on accountability in UNDP;

2. Support the direction being pursued by UNDP to make it a more effective, efficient and accountable organization;

3. Request the Administrator to report informally at each session of the Executive Board on the progress made to implement the accountability framework.